

## **ALL-PARTY PARLIAMENTARY GROUP ON PARK HOMES**

The minutes of the meeting of the All-Party Parliamentary Group on Park Homes which took place at 4.00pm on Monday, 10 February 2025 in Committee Room 6, Palace of Westminster, London SW1A 0AA

**PRESENT:** Sir Christopher Chope MP (convenor and Chairman)

Danny Chambers MP

Josh MacAlister MP

Andrew Griffith MP

Joshua Reynolds MP

Jessica Toale MP

George Blindell, representing Joshua Reynolds MP

Rafaella Stefani, representing Richard Tice MP

Nathan Purchase, representing Jack Rankin MP

Lamorna Reid, representing Jayne Kirkham MP

Georgia Marcantonio, representing Rachel Hopkins MP

Isabella Hobson, representing Alison Griffiths MP

Mark Gilmore, representing Rebecca Smith MP

James Craig, representing Sir Ashley Fox MP

Tom Fellows, MHCLG

William Tando MHCLG

Kevin Richards LEASE

Richard Hand LEASE

Nat Slade, Arun District Council

Debbie Walker BH&HPA

Karl Hobley BH&HPA

Alicia Dunne NCC

Sonia McColl, OBE, PHOJC

David Isles PHOJC

Martin Wheeler IPHAS

Anne Webb, minutes secretary

## **APOLOGIES**

Brian Doick NAPHR

### **1 Approval of minutes**

The meeting approved the minutes of the previous meeting of the All Party Parliamentary Group on Park Homes which took place on Monday, 9 September 2024, with the exception of the following:-

### **Item 3 – Update on Park Home Sites in West Sussex**

Paragraph 2, line 4, delete 'retribution' and replace with 'justice'.

Paragraph should read: With regard to the 'fit and proper-person' regime, two rounds of application from the owners of these sites had been received. Two have been rejected and these have been appealed. One also has outstanding compliance notices and refuses to comply with conditions from their licence. Mr Slade said that there were currently 200 households which were at risk of losing their homes. Pitch agreements end in 2027. So, there were two 'asks' that he had:-

(1) that the primary legislation which was promised six years ago was introduced.

(2) that the F&PP regime should be given teeth by (i) capping the number of F&PP applications which could be made, and (ii) introducing management order powers akin to the HMO equivalents.

The above amendments were approved.

Sonia McColl (PHOJC) asked whether, in future, draft minutes of the previous APPG meeting could be sent out to those involved prior to any subsequent meeting, so that any corrections could be made before those minutes were put into the public domain.

Sir Christopher said that the Housing Minister, Matthew Pennycook MP would be joining the meeting at approximately 3.30 p.m. and he asked William Tandoh (MHCLG) how he had briefed the Minister.

William Tandoh said that the Minister would introduce himself and would listen to the issues which were the key things on which the Group wanted action from him.

Sir Christopher asked William Tandoh how many people in his department were in the park homes division. William Tandoh said that from March there would be three. Tom Fellows would be joining the team.

Sir Christopher asked if there were any issues Group members wished to raise.

Sonia McColl asked whether there was any progress with the Westminster Hall debate which had been mentioned at the previous meeting.

Sir Christopher replied that it was quite difficult to get such a debate and it would be better to hear from the Minister and build on what he said.

Sonia McColl said that her organisation (PHOJC) was planning to ask for the use of a Committee Room to air the park home problems to MPs. Sir

Christopher said that could be done, provided Mrs McColl had an MP sponsor.

### **3. Update on West Sussex sites**

Richard Hand (LEASE) said that his organisation was well aware of the problems in West Sussex which had also extended into Wales. At a recent inquiry, a site owner had his licence revoked because the 'fit and proper person' test hadn't been passed, and even with additional powers there was a need for enforcement. He mentioned one park owner's legal representative who seemed to spend most of his time at tribunals, adding that what is happening in West Sussex is now going on in Wales, too.

Josh MacAlister MP asked if the Competitions and Markets Authority were aware.

Nat Slade (Arun District Council) said that his Council had complained to the Competitions and Markets Authority responsible and the matter was raised with the local Trading Standards department who responded by saying that they didn't have the resources to investigate and it had taken several years to try to persuade the former Government to fund this - but nothing had been achieved. Sir Christopher suggested it might be worth having another attempt. He then asked what had happened to another park owner's 'empire' and the transfer of various parks to other members of the park owner's family, and whether Trading Standards were 'up to speed' on that.

William Tandoh (MHCLG) said that a couple of years previously the site owner in question had been declared bankrupt and the MHCLG provided help to residents and told them their agreements were still in force. Then the receiver got involved, the park was sold with the new owner taking over the existing residents' agreements. Then it was up to the local authority to confirm that the site licence had also been transferred to the new owner and if new conditions were introduced they could deal with that and take enforcement action again. Mr Tandoh added that LEASE could offer advice to residents, if needed. David Iles (PHOJC) said that local authorities can have registers of rules on their websites and asked why that should be allowed when those rules cannot be enforced.

Sir Christopher said that one issue he had raised with OFGEM was the price of electricity. Park home residents were paying the business rate (if their electricity was supplied via their site owner) compared to the lower domestic rate if they had a direct supply. OFGEM told Sir Christopher that they did not have any power to deal with that. All that could be advised was for residents to refer the matter to the First Tier Property Tribunal. Sir Christopher added that there was no obligation on the site owner to provide information about the electricity charges unless specifically requested. There was also an issue of how difficult it

would be for residents to access the domestic rate by setting up their own individual supply.

David Iles (PHOJC) again questioned site rules saying it seemed a pointless exercise to put them in a register when no-one checked them.

William Tandoh (MHCLG) explained that the reason for putting site rules on websites was to inform people about the rules before they committed to a purchase on the park. Once site rules were agreed, the local authority had to publish them on their website. When site rules were published, they became part of residents' agreements after seven days. If that wasn't done, residents could take the matter to the Local Government Ombudsman.

## **2 Report as to availability of Registers of Site Licences and Fit and Proper Persons in respect of Residential Park Homes**

Ken Carroll of the Independent Park Home Advisory Service (IPHAS) had prepared a report and this was due to be presented to the meeting by Martin Wheeler (IPHAS), but there was insufficient time for it to be debated. It would be carried forward to a future APPG meeting.

## **4 Minister for Housing and Planning – Matthew Pennycook MP**

The Minister said he wanted to talk about the 10% commission requirement. It had been in place for 40 years and he appreciated it was a divisive issue. First of all, he wanted to look at the rationale for the charge, the effect it had on various sites and the implications.

Sir Christopher asked whether that was a process going on inside the MHCLG. The Minister responded by saying that while the Government did not have an absolutely clear path in terms of going forward at this time, it was important to test the evidence and what the implications would be for removing the commission.

The second item that the Minister wanted to address was the poor relationship that existed between some site owners and their residents and what could be achieved without impacting detrimentally on local authorities, residents and good site owners. He said that there were a number of local authority enforcement powers in place and these needed to be explored more extensively because local authorities didn't use them effectively. At that point it might be possible to see how the various challenges could be addressed and how better relationships could be established between local authorities and residents. The

Minister said he wanted to hear the views of those present before determining the next steps.

Sir Christopher said that one of the issues was that in 2017 the Government promised to take action on complex agreements which were being promoted by site owners to the detriment of residents. This was so complicated that it couldn't be the subject of a Private Member's Bill, but he understood that there was still a big gaping space regarding what had gone on since that commitment was made.

Sir Christopher asked the Minister to put that item on his agenda as well. He added that the Group was fortunate in having Nat Slade from Arun District Council present and he invited him to relate what had happened in his local area and the ways in which he was trying to look after residents.

Nat Slade explained that of the dozens of sites that Arun District Council regulated, five were causing particular problems. Those five were home to over 200 households of elderly and vulnerable residents, many of whom had their ownership fragmented and pitch agreements which included problematic terms. Those were:- 1) depriving residents of their security of tenure by time-limiting their pitch agreements; 2) making them pay twice for the management and maintenance of the sites through a service charge which was in addition to the pitch fee; and 3) dissuading many from accessing justice by making them pay the site owner's legal costs if defending any cases taken by residents to the Tribunal.

Nat Slade commented that it was seven years previously that the Government undertook to call for evidence on these matters after the then Housing Minister, Gavin Barwell, heard about the issues. Seven years ago the Government recognised these issues and committed in its response to introducing primary legislation, when Parliamentary time allowed, to deal with complex ownership structures which were depriving residents of their security of tenure, and also variable service charges. To date, this hadn't happened and Mr Slade expressed the hope that the new Housing Minister could take this legislation forward.

The Minister asked whether ownership structures were transparent.

Nat Slade responded that there were about 10 limited structures and these were complex for local authorities to understand, and even more so for residents. Residents were unsure about which company they had relationships with as it differed from one plot to another.

Since the call for evidence eight years previously, the problems impacting residents on these sites had only got worse. They included:-

- 1) Exploiting the complex ownership and problematic pitch agreements. Site owners had offered residents the opportunity to pay them £40,000, up front or by instalments, to buy back their lost security of tenure in perpetuity.
- 2) Those residents that did surrender their pitch agreements to buy ones which were issued by a company that didn't have an ownership interest in the sites found that the new ones were not worth the paper they were written on. Residents thought they were buying back their security of tenure, but they were not.
- 3) A complaint was submitted jointly by Arun District Council and the National Association of Park Home Residents, supported by BH&HPA, to West Sussex Trading Standards four years ago. This was escalated to the National Trading Standards Service which, in turn, had conversations with MHCLG to identify the necessary funding to undertake the investigation. That funding did not materialise and in 2023 Arun District Council was advised by the National Trading Standards Service that the investigation would not proceed due to lack of resources. West Sussex Trading Standards then obtained £30,000 from Trading Standards South East (TSSE) to resource a scoping exercise which was undertaken in 2024. That scoping work concluded and resulted in a funding bid being made by West Sussex Trading Standards to TSSE for resource for an investigation. Since the last APPG meeting (9 September 2024) Arun District Council had learned that the funding bid was unsuccessful. Arun District Council had offered a £10,000 contribution to West Sussex Trading Standards if they found this much was needed for funding the investigation – a decision was awaited.

Andrew Griffith (MP for Arundel and South Downs) said that a site owner in his area was being prosecuted for breach of the 'Fit and Proper Person' regime at a Tribunal. He said resources were needed to fight for the residents affected.

With regard to complex agreements, these were being applied to some 91 other sites around the country. There were over 60 households whose pitch agreements were due to expire in 2027. Those residents could become very vulnerable to those complex pitch agreements. To deal with the instances highlighted by Nat Slade and himself, Andrew Griffith MP felt it was necessary to fix a couple of loopholes in the 'Fit and Proper Person' legislation which could make a huge difference to many very anxious people.

Nat Slade drew attention to problems where homes were added to sites in breach of site licence or planning limits. These were then sold, again by companies that didn't own the sites, to victims who were at risk of losing their homes when the local authority enforced compliance. Arun had an instance where they served a notice requiring compliance with the site condition and this was appealed. The FTT dismissed their appeal, and since the last APPG meeting it seemed that the Upper Tier Tribunal had rejected their application to appeal. Arun District Council was obtaining advice on enforcement options.

Nat Slade added that during the previous week he had been contacted by two separate households who were in this situation, outlining their desperation and the impact it was having on their physical and mental health as they risked losing their home and life savings because they were sold park homes that shouldn't have been there. Excerpts from the correspondence included *'My wife and myself have been living day to day, worrying if we were going to be asked to leave. This has an ongoing effect on our physical and mental health. All our money was spent on this purchase, and additional work.'* *'We are stuck in hell and wish we could move on. Park home operators need pulling into the 21<sup>st</sup> century and residents need the full protection of the law'.*

- 4) Turning to the 'Fit and Proper Person' regime, Nat Slade said that since the previous Government's commitment to introduce primary legislation seven years ago, the 'Fit and Proper Person' regime had been introduced. Three batches of applications have been submitted for the sites in question. The first batch were refused, appealed and the appeal dismissed by the Tribunal who went further in support of the Council's refusal decision, describing the owners as straw companies and the ownership model as being incompatible with the 'Fit and Proper Person' regime.

The second batch of 'Fit and Proper Person' regime applications received were also refused by Arun District Council and have been appealed by the site owner. These appeals were due to be heard by the Tribunal on 11 February. A third batch of applications had been submitted but not yet determined by Arun District Council. Arun is also prosecuting the site owners of these sites for operating them without a F&PP in place for a brief period after the appeal deadline and before the submission of their third batch of applications.

The first hearing was in December and the full hearing will be in the Magistrates Court on 2<sup>nd</sup> April. Nat Slade commented that the 'Fit and Proper Person' regime does not usually 'bite' because there is no limit to

the number of applications that can be submitted, provided they are within certain time limits after refusal decisions, so no offence is committed. In addition, there is no power for Councils to obtain a management order to take over the operation of the sites (like there are for HMOs), nor to issue Civil Penalty Notices, like there are for housing offences.

Nat Slade concluded by saying that there is inconsistency between one local authority and another, and local authorities don't often have park home experts working in them.

Arun is using all the legal powers available to it as a licensing authority. After seven years since the previous Government response, there were now more than 60 residents with pitch agreements due to expire in 2027. Aran District Council was concerned that residents would become increasingly vulnerable to financial exploitation from these complex ownership arrangements and problematic pitch agreements as the end date draws closer.

The Minister asked what the Government could do and Nat Slade's response was that Aran District Council had a few 'asks'.

The first was that the Government brings forward the primary legislation promised by the previous government to deal with complex ownership structures which deprive residents of their security of tenure and also to prevent service charges being used so that residents pay twice for site maintenance and management. In addition, the Council was asking for legislation to be introduced to fix loopholes in the 'Fit and Proper Person' regime to cap the number of applications before an offence is committed, and give Councils management order powers like those in place for HMOs, and enable councils to issue Civil Penalty Notices.

Another 'ask' was for the Government to provide funding to the National Trading Standards or West Sussex Trading Standards for the necessary investigation into unfair contract and other consumer protection concerns. Funding for the Local Authority Caravan Site Licensing Officers' Forum would also be welcome to improve secretariat capacity and delivery training to improve consistency between local authorities.

Debbie Walker (BH&HPA) said that her organisation represented about 900 residential parks throughout the country, which were home to about 46,000 residents. She said that the BH&HPA was not a regulatory body but it did have strict vetting of its members. Members were offered 'model' documents, written in plain English, for them to use.



On the subject of commission, Debbie Walker said it was a maximum of 10 per cent which was paid by the buyer on the resale of a second-hand park home. The person buying the home would have known about this charge before embarking on the purchase, and having it in place allowed for lower purchase prices and pitch fees.

The Minister asked why the commission is ‘*up to* 10 per cent’. Debbie Walker replied that a lot of her member parks were quite small and they needed this income and pitch fee income (which is linked to c.p.i.) to ensure that standards didn’t go down.

The Minister concluded that Debbie Walker’s contention was that if the 10% commission was abolished, lots of site-owning companies would ‘go out of business’.

Debbie Walker (BH&HPA) replied that small parks in particular would become vulnerable. When residents first took up the park home lifestyle, they knew that, should they subsequently want to sell their park home, they would be required to pay a commission fee.

Joshua Reynolds MP said he had about 500 residents living in park homes in his constituency, many of whom did not feel that the commission legislation was transparent. He added that he would be in favour of abolishing the charge which he thought was an anachronism. ‘Residents feel trapped by this 10% charge’, he added.

Richard Hand (LEASE) said that the value of new park homes, usually bought for cash from the seller, needed to be registered in some way. ‘Why not have a registration for park homes in the same way that there is for cars?’ he asked. He added that his organisation (LEASE) was there to help local authorities and residents on various aspects of the legislation.

William Tandoh (MHCLG) said that, in respect of local authorities, there was an Ombudsman in place. He added that, sadly, residents don’t seem to use the Ombudsman service which, if they did, would highlight some of the shortcomings of local authorities.

Sonia McColl (PHOJC) said that from the residents’ viewpoint, many felt trapped in their homes by the 10% commission. In some cases they would be losing as much as £40,000! Also, when other residents had sold and moved away from the park, there hadn’t been any noticeable

improvements made to the park from the commission received by the site owner.

Sonia said that her organisation (PHOJC) felt that the market was stagnating because homes were getting too old and prospective purchasers were put off when they read about problems between residents and site owners. She explained that most newcomers to park home living bought their home new from the park owner who would himself have bought it (at a discounted price) from the manufacturer. So, the site owner makes a profit with the home's first sale. Over the years some residents enhance their homes but it is the site owner who benefits from these improvements when the owner sells. This situation is an incentive for park owners to buy more parks because of the commission. Many years ago, the late Lord Graham (former secretary of the APPG) commented that 'you need to hit them hard in their pockets, which is where it hurts'.

The Minister's final remarks were that he knew it was vital to look at the evidence and he said he would be happy to come back to the APPG when sufficient progress had been made.

At this point the Minister left the meeting.

David Iles (PHOJC) commented that he had done a lot of research into how the 10% commission started. It was 15% in 1975 and the reason it was put into legislation was to compensate site owners for the amounts they lost by allowing their residents to sell their park homes on site (previously they had to sell their homes back to the site owner or take them off site). So, anyone owning a park from that time onwards would have known the rules.

Sir Christopher Chope declared the meeting closed at approximately 17.10, commenting that notifications would be sent out concerning the next APPG meeting, adding that it was encouraging to hear the Minister say that he would try to come along again.